



For Immediate Release  
April 16, 2008

Contact: Dan Virkstis  
(202) 224-4515

**BAUCUS STANDS FIRM AGAINST  
SOCIAL SECURITY PRIVATE ACCOUNTS**

*Finance Chairman sees nothing new in Treasury Department report*

**Washington, DC** – Senate Finance Committee Chairman Max Baucus (D-Mont.) said today that private accounts are still the wrong answer for Social Security. A Treasury Department brief on long-term Social Security reform released today includes an extensive discussion of proposals to allow workers to divert some portion of their Social Security payroll taxes into private accounts. Baucus led the fight in 2005 to defeat similar proposals soundly in the U.S. Congress. The Senate Committee on Finance has jurisdiction over the U.S. Social Security program.

**“In the past I have said there are three reasons why private accounts are a bad idea, and nothing in this report changes that. First, private accounts introduce financial market risk into Social Security benefits. Second, private accounts would make Social Security’s solvency worse over any finite period of time, no matter how long. Finally, private accounts would increase debt held by the public over any finite time period,”** said Baucus. **“For example, President Bush's private accounts plan would increase debt held by the public by \$5 trillion over the first 20 years in operation. I am convinced that private accounts are a bad idea, and examining this report only confirms my view. I will do everything I can to make sure that private accounts are not enacted into law.”**

###